



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 3/25/1999

GAIN Report #JA9031

Japan
Market Development Report
Special Stone Fruit Report
1999

Prepared by:

Michael D. Woolsey

U.S. Embassy

Drafted by:

Kenzo Ito

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Tokyo[JA1], JA

Table of Contents

Fresh Peaches 1

Fresh Nectarines 1

Fresh Plums/Apricots 2

Tables 3

Fresh Peaches

Only domestically grown peaches are distributed in the Japanese fresh produce market. Japan produced 169,700 metric tons of fresh peaches in the 1998 season, with acreage totaling 18,000 hectares. Japanese peach acreage has declined steadily for more than two decades and continued declines are expected. Japan produces mainly white peach varieties for fresh table consumption. Fresh peaches are marketed from June through September, with peak sales occurring in July and August. Fresh peaches are normally marketed within a few days after harvest. Japanese white peaches are not suitable for storage.

Japanese white peaches are traded at 400 - 500 yen (\$3.33 - \$4.16) per kilogram wholesale during peak marketing. A phytosanitary ban (codling moth) prevents fresh peach imports from the United States. The current Japanese market size of fresh peaches is estimated at \$500 million (CIF). The current import duty for fresh peaches (HS code: 0809.30-000) is 7.3%, on a CIF basis.

According to Tokyo traders, market potential for imported peaches exists, but only if quality is similar to Japanese white peaches. Japanese white peaches have an extremely soft flesh, requiring extra careful handling and shipping. Consumers prefer fresh peaches with soft flesh, good appearance (shapes and color) and high Brix levels.

Fresh Nectarines

Japan imported fresh nectarines only in 1988, 1989 and 1990, with the total volume of 190, 75 and 6 metric tons, respectively. The United States accounted for nearly all sales. There have been no imports since 1990.

A very small volume of locally grown fresh nectarines are distributed in Japan (approximately 2,000 metric tons annually). Nearly all nectarines sold are grown in Nagano and Yamanashi prefectures from July through September. Japanese fresh nectarines are traded at approximately 400 yen (\$3.33) per kilogram (wholesale) during peak harvest. Current market size is estimated at \$7 million (f.o.b.). The current import duty for fresh nectarines (HS code: 0809.30-000) is 7.3%.

Future growth potential is limited by consumer preference for fresh peaches over fresh nectarines, since peaches are considered to have superior flesh texture and sweeter taste than nectarines. When U.S. fresh nectarines were marketed in Japan in late 1980's, traders report the flesh texture and taste were not favored by Japanese consumers. In order to successfully market U.S. nectarines in Japan, research is essential to identify acceptable varieties and marketing strategy to overcome the negative image vis-a-vis peaches.

Fresh Plums/Apricots

Only domestically grown fresh plums/apricots are distributed in the Japanese market. Japan produced 29,500 metric tons of fresh plums/apricots in the 1998 season (excluding Japanese plum "ume" variety), with acreage of 3,370 hectare. Of that, the majority was apricot "sumomo" variety. The acreage for plums/apricots has been declining for the last several years. Some plum/apricot trees have been transplanted with prune trees, since the market of prunes (imported dried prunes) is growing, reflecting the health benefits of prunes. Fresh plums/apricots are normally marketed from June through August. Average wholesale prices of fresh plums/apricots are approximately 400 yen (\$3.33) per kilogram during the peak marketing season. A phytosanitary ban (codling moth) prevents imports from the United States. There are good market

opportunities for U.S. fresh plums (or prune plums) in the Japanese market, according to Japanese traders. U.S. plum varieties with high Brix levels have a good potential for marketing in Japan. U.S. plum's solid flesh is also beneficial for handling fruit in Japan. The current size of the Japanese market for fresh plums/apricots (excluding the Japanese "ume" variety) is estimated at \$75 million (f.ob.). The current import duty for fresh plums/apricots (HS code: 0809.40-000) is 7.3%, on CIF basis.

Tables

Japanese Fresh Peaches; Area Harvested, Production, Exports & Imports

	Area Harvested (HR)	Production (MT)	Exports (MT)	Imports (MT)
1989	12,800	180,300	0	0
1990	12,500	189,900	0	0
1991	12,300	186,200	0	0
1992	12,100	187,500	0	0
1993	11,800	173,000	0	0
1994	11,500	174,300	0	0
1995	11,100	162,800	0	0
1996	10,900	168,700	0	0
1997	10,800	175,500	0	0
1998	10,800	169,700	0	0

Source: MAFF, Customs Bureau, Ministry of Finance.

Japanese Fresh Plums/Apricots; Area Harvested, Production, Exports & Imports 1/

	Area Harvested (HR)	Production (MT)	Exports (MT)	Imports (MT)
1989	3,370	30,700	0	0
1990	3,490	31,800	0	0
1991	3,570	41,000	0	0
1992	3,650	33,100	0	0
1993	3,730	33,500	0	0
1994	3,770	35,300	0	0
1995	3,670	31,700	0	0
1996	3,540	25,600	0	0
1997	3,490	31,900	0	0
1998	3,370	29,500	0	0

1/ Excluding Japanese plum “ume” variety.

Source: MAFF, Customs Bureau, Ministry of Finance.

**Fresh Peach Price Table 1/
(Yen per KG)**

Year	1997	1998
Jan	385	-
Feb	763	220
Mar	2,777	1,154
Apr	3,052	3,150
May	1,672	1,732
Jun	690	433
Jul	558	445
Aug	397	390
Sep	393	453
Oct	463	244
Nov	389	295
Dec	-	427

- No trading.

1/ Japanese wholesale prices.

Exchange Rate 117.7 (Yen/US\$)

Date of Quote March 24, 1999

Source: MAFF

**Fresh Plum/Apricot Price Table 1/
(Yen per KG)**

Year	1997	1998
Jan	-	313
Feb	1,706	261
Mar	394	-
Apr	523	1,305
May	968	967
Jun	434	349
Jul	409	379
Aug	359	449
Sep	379	721
Oct	411	723
Nov	328	412
Dec	388	408

- No trading.

1/ Japanese wholesale prices.

Exchange Rate 117.7 (Yen/US\$)

Date of Quote March 24, 1999

Source: MAFF